

Managing Directors' Insights - Technology Sector:

Critical success factors for the Australian
and New Zealand market



INTRODUCTION

The role of a country or region Managing Director within a multinational is a complex one. In the fast-paced, quarterly-driven environment of the technology sector, this complexity is often magnified.

High expectations and high levels of accountability exist, whilst the country Managing Director often has little control over products and solutions being sold in the local market. There is pressure to comply with a global operating model developed with limited understanding of the nuances of local markets.

A leader who thrives in this environment and who understands these complexities is critical to the success of multinationals in the Australia and New Zealand region.

A DEEPER UNDERSTANDING

Ogders Berndtson interviewed 30 country Managing Directors from multinational technology companies in the Australia and New Zealand region to better understand the opportunities and challenges they face.

Specifically, what could local Managing Directors do to increase the chance of success and be sufficiently empowered to influence business performance as opposed to the role of pure sales execution for the local franchise?

TWO YEARS ON

When we spoke to this community and posed this question two years ago, four key themes emerged as follows:

- Embrace the inevitability of matrix reporting structures
- Targets set right, create the right sales culture and drive sustainable overachievement
- Locals buy from locals – the high cost of having offices in each state capital will be offset by faster growth
- Don't let reporting lines to Asia close-off ties to the US and Europe

Given the advancement and speed of disruption in the market, we thought it would be interesting to speak to this audience again to see if these themes were still relevant when ensuring success.

Firstly, the expectation of high growth in this competitive market still exists and these four themes are, without doubt, still significant and play a part in success.

Interestingly, what dominated and resonated this time was an evolution from operational themes to more of a focus on the 'spirit of the company'. The three themes which dominated the conversations this time will be explored on the following pages.



You've got to curate the employee experience; candidates have choices and you can't operate with a one-size fits all approach



1. Talent

The war for talent has been mentioned many times in the past and is often an overused and hyped phrase. However, the responders were in agreement that this is still extremely relevant and possibly truer than it ever has been. In this social and tech-enabled economy, candidates are far better equipped to make informed choices around their next move. The purported workplace and culture needs to be authentic, beyond a broad sweeping company 'mission statement' otherwise the attraction strategy won't translate into a retention strategy.

Talent was viewed as being a competitive dynamic and there was broad agreement and acknowledgement of the need to look globally for senior hires as the talent pool in Australia can't keep up with the diversity of roles and experience needed.

'It's harder and harder to find the skills we need within Australia. We work closely with our peers in different geo's to look at secondments or transfers within the business and we certainly treat all senior hires as a global search without fail; Australia just doesn't have the breadth or depth of talent'

A strong theme which came through was to personalise and curate the candidate and employee experience to offer an almost consumer-like experience of the company. With a multi-generational workforce, the needs and wants are diverse, so having tailored experiences is key. It is of paramount importance to understand individuals' motivations, interest, priorities and styles.



2. Culture

The local leader has the chance to set the tone and build the local culture. The role of the local MD is to set the agenda, regardless of reporting lines. Whether the global organisation allows you to execute against that agenda will play a large part in the success of the business and the team that you lead.

Culture will guide discretionary behavior and it picks-up where the employee handbook finishes. By putting a focus on culture, it enables you to have guiding principles. People will know you for this and employees will live by it. Employees want to feel as though they have a safe place to challenge and offer ideas and opinions. They want to have a voice and a meaningful impact on the company and its direction, rather than just turning up and clocking in and out. The overall view was that there is a shift from what employees need to what they want, and people want to work for a company that represents their values and beliefs. The respondents were quick to point out that this is something that can't be faked; it's the everyday and you have to live it. People will quickly vote with their feet if they feel they don't belong to the company or culture.

'Staff more and more want leaders who walk the talk, they can see when it's lip service.'

'There's a lot of talk now of bringing your whole self to work, and first and foremost we as the leaders have to set up the right environment'



We, as the leaders, are the custodians of culture, it's not so much about what we do, it's how we do it





3. Purpose

Purpose should be at the centre of the business. This is not about diluting performance and losing the commercial edge in favour of getting all 'warm and fuzzy'.

Rather, it's about understanding and identifying with a purpose-led environment. Purpose can be many things, but with a workforce that now crosses multiple generations ensuring their values and beliefs are listened to and added into the fabric of the business will go a long way to building and motivating a successful workforce.

Those that have done this, talk of an increase in performance as people are engaged, do good work and contribute to the overall success. Of course, the Manager Director must ensure the values and purpose of the business align to corporate guidelines, however they must be able to work within these to ingrain the beliefs and values of the team into the local entity.

'Staff who are given purpose and feel they are given a chance to learn and grow will stay for many years'

Leaders are realising that success to many is not just numbers or pay, it's doing work that really impacts tangibly on the community through charity and other means.

Those that get it right will find an engaged team, committed to the business. They can often be held up as the example of the team ethos and environment to other geographies as the gold standard to look to when opening new sites.



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Conclusion

Whilst the topics we focussed on two years ago are still of paramount importance to ensure success in the business, the focus has shifted to how to attract and retain talent in far more detailed and profound ways than ever before.

Ping pong tables and a bowl of fresh fruit in the break out area are increasingly referred to as 'band aids' if employers are relying on them to truly create a culture and retain staff.

Successful leaders are recognising the change and the drive towards creating a purpose around your local workplace is increasingly an expectation of the people.

In other words, staff have a choice; and want to represent a company where they feel they are making a difference and giving back. If this is not seen to be done with conviction and in an authentic way, it is easily spotted and can actually be counterproductive. There was a strong correlation in leaders who demonstrated a passion for this and high company performance.

Interestingly, and most importantly, it was also felt that this was something that couldn't be driven or dictated by the region or HQ. The sense of purpose and culture has to be local and real and is therefore one of the very few things that the local Country Managing Director does have full control over.

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Tim Sleep is the Managing Director for the Australia and New Zealand business. In addition to Board and CEO roles, he specialises in the technology and professional services sectors, helping build exceptional Non Executive and executive leadership teams. With over 25 years' experience in senior executive roles across retail, IT and professional services, Tim is well positioned to understand the characteristics, attributes and skills exceptional leaders require to excel in today's business environment. Tim has a BA (Hons) degree from Loughborough University and sits on the Regional Council for RedKite, an Australian charity that supports children and young people with cancer.



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Chris is currently a Senior Associate with Odgers Berndtson's Sydney office, where he supports the Sports, Technology and Consumer practices with research projects and search mandates across Australia. Chris has gained over 10 years of experience within research and executive search, having worked across the Middle East, Asia and more recently Australia. Chris has worked on senior level mandates across multiple industries and has built a diversified network within these respective markets. Prior to joining Odgers Berndtson, Chris worked with the executive search arm of Talent2. Chris studied European Languages at the University of Leicester in the UK, and speaks proficient French and Spanish.

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